



ASX ANNOUNCEMENT

10 June 2005

Opportunity for Golden Cross at Broken Hill

Golden Cross now Holds 550 sq km at Broken Hill

The withdrawal of Sipa from the Broken Hill farm-in and joint venture leaves Golden Cross with ownership of 550 square kilometres at Broken Hill, one of the most mineralised areas in Australia.

The Broken Hill orebody is the largest silver-lead-zinc deposit of its kind in the world. It is located in the southeastern part of the Curnamona Province in Proterozoic rocks around 1,700 million years old. Rocks of the same age in Queensland host the Cannington deposit, currently the world's largest silver mine and the world-class Mt Isa lead-zinc and copper orebodies and, to the west in South Australia, the Olympic Dam copper-uranium deposit. The Curnamona Province also hosts a number of gold (White Dam) and copper-gold (Kalkaroo and Portia) resources, where evidence exists of widespread alteration and mineralisation (Figure 1).

Sipa Resources recently notified Golden Cross of its intention to withdraw from the Broken Hill farm-in and joint venture between Golden Cross and Sipa. All of the joint venture tenements are now held 100% by Golden Cross.

Sipa began exploring the joint venture tenements to the east and south of Broken Hill in mid 2002. A three-way joint venture arrangement was later entered into when Gravity Capital (GCap) flew a gravity gradiometer survey using the new Falcon™ technology during 2003. GCap withdrew from the three-way farm-in and joint venture during August 2004.

Over \$1.5 million has been spent on the joint venture tenements by Sipa and GCap, who completed a number of detailed geophysical surveys and programs of RAB, RC and diamond drilling. This work created an extensive geological and geophysical database which Golden Cross will use to explore for ore deposits.

Three-pronged ore deposit search

Golden Cross will focus its search on three types of mineralisation:

- Potential exists for **Broken Hill-style mineralisation** in the south of the Golden Cross ground, at the Three Gums prospect (Figure 2). The Tip gravity anomaly lies close to the main Broken Hill orebody and a down-hole electromagnetic survey will be conducted to determine if a large off-hole anomaly (representing massive sulphides) can be located from the bottom of the 400m hole drilled by Sipa.
- High grade **nickel-copper-platinum-palladium mineralisation** associated with ultramafic intrusions has been found over a distance of 25 km within Golden Cross ground. In 2001 a Golden Cross drill hole returned 2 m averaging 6.1% copper, 4.5% nickel, plus 19.6 g/t platinum, 23.6 g/t palladium and 0.94 g/t gold. Gossan samples from several prospects throughout the tenement, from the Red Hill prospect (36 g/t Pt and Pd) in the south to Little Darling Creek (58.6 g/t Pt and Pd) to Mulga Springs (69.6 g/t Pt and Pd) to Round Hill (27.4 g/t Pt and Pd)



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to Back Ridge (40 g/t Pt and Pd) to the Moorkaie prospect (33.8 g/t Pt and Pd) in the north, have returned consistently high grades of combined platinum and palladium, ranging between 15 g/t and 70 g/t. In addition, other platinum group metals rhodium, osmium, ruthenium and iridium are known to be present in addition to nickel, copper and gold.

- The tenements also contain shear-hosted **copper-gold mineralisation** at the Adit prospect, and copper-gold in ironstone complexes at the Yellowstone, Ironblow and Sisters prospects. At Yellowstone a 4m rock chip sample taken by Golden Cross in 1997 returned 16.35 g/t gold.

Sipa and GCap eliminated a number of gravity targets associated with dense, weakly copper-mineralised rocks located on the eastern margin of the tenements. At the same time they identified a number of targets that warrant follow-up work. These targets include a number of platinum-palladium anomalies associated with the Little Broken Hill Gabbro and an electromagnetic anomaly associated with the Moorkaie gossans. Neither company focused its activities on copper-gold-bearing rocks in ironstones such as those at the Ernest Henry and Selwyn deposits in Queensland, which are known to occur on Golden Cross ground as indicated above.

At the Tip prospect Sipa drilled a hole to just over 400 m, targeting a distinctive gravity anomaly, however failed to intersect significant mineralisation. The anomaly was explained by the contrast in rock types downhole. Golden Cross plans to conduct a downhole electromagnetic survey to assess the potential in the near vicinity for a massive sulphide orebody.

Excellent Potential at Broken Hill

Golden Cross considers the Broken Hill area and adjacent Olary area in South Australia to have excellent discovery potential and has been encouraged by recent reports of mineralised drill intercepts from other mining-exploration companies active in the Broken Hill area.

Over the last 10 years it is estimated that over \$20 million has been spent on different kinds of surveys in the Broken Hill-Curnamona area by the three relevant Governments. The result is that this highly mineralised area now has one of the most detailed databases in Australia, on which to explore with. GCR has one of the largest tenement packages within the immediate Broken Hill area within which to apply the latest models and technologies to lead to new discoveries.

There is little doubt that another significant discovery will be made in the area.

Work Planned

Golden Cross intends to review the data and geological models with a view to conducting detailed follow-up of the excellent work completed by Sipac. Golden Cross intends to:

- conduct a downhole electromagnetic survey in the deepest drillhole at the Tip anomaly to assess the potential for a massive sulphide orebody in the near vicinity;
- drill test the electromagnetic anomaly close to the Moorkaie ultramafic complex for nickel-platinum group mineralisation;
- conduct RAB drilling over the gravity anomaly at Three Gums prospect to test for Broken Hill-style orebodies; and
- drill test newly-discovered platinum group gossans near the Back Ridge prospect.



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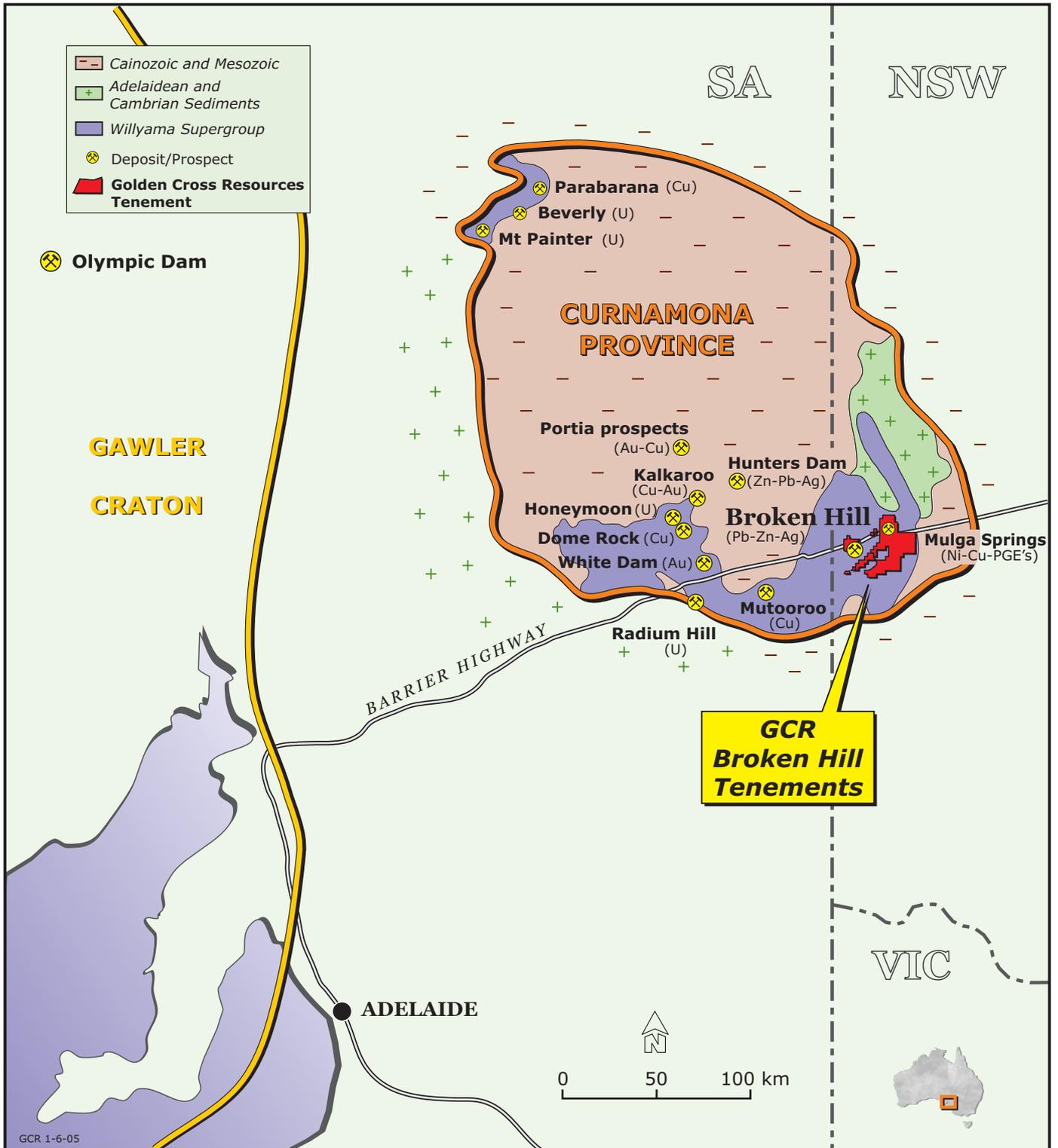
- Drill test any new targets associated with the known nickel-platinum group prospects over the established 25km of strike.

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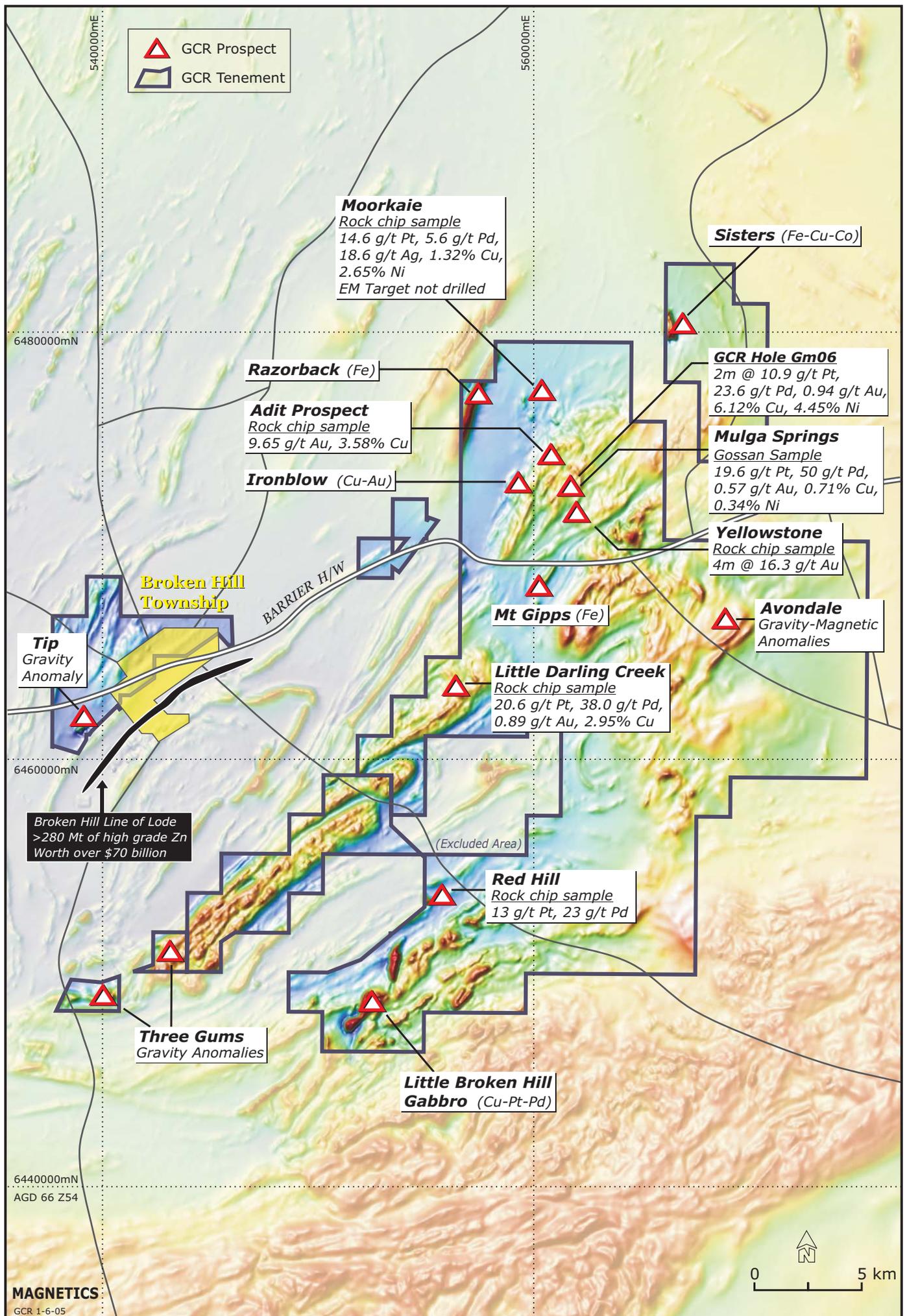
Golden Cross is a gold and base metals explorer, searching in NSW for large deposits in highly prospective mineral belts, providing significant potential upside for the speculative investor.

The Company holds significant mineral tenement positions within the Lachlan Fold Belt, which contains Cadia-Ridgeway, the highest gold site revenue earner in Australia. Golden Cross also holds a major land position in the Curnamona Province of western NSW, which contains the world class Broken Hill orebody, the largest deposit of its type in the world.

This report was prepared by David Timms, full time employee of Golden Cross Resources Ltd, who is a Member of the AIG and has more than five years experience in the field of activity in which he is reporting.



Broken Hill: LOCATION
Figure 1



Broken Hill: PROSPECT STATUS
 Figure 2